

Senate File 2316 - Reprinted

SENATE FILE 2316

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3182)

(As Amended and Passed by the Senate April 18, 2016)

A BILL FOR

1 An Act relating to the collection of delinquent court debt and
2 associated installment agreements.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.210B, subsection 1, Code 2016, is
2 amended to read as follows:

3 1. a. If a person's fine, penalty, surcharge, or court
4 cost is deemed delinquent as provided in section 602.8107,
5 subsection 2, and the person's driver's license has been
6 suspended pursuant to section 321.210A, or the clerk of the
7 district court has reported the delinquency to the department
8 as required by section 321.210A, the person may execute an
9 installment agreement as defined in section 602.8107 with
10 the county attorney, the county attorney's designee, or the
11 private collection designee under contract with the judicial
12 branch pursuant to section 602.8107, subsection 5, to pay the
13 delinquent amount and the civil penalty assessed in subsection
14 7 in installments. Prior to execution of the installment
15 agreement, the person shall provide the county attorney, the
16 county attorney's designee, or the private collection designee
17 with a financial statement in order for the parties to the
18 agreement to determine the amount of the installment payments.
19 b. Cases involving court debt assigned to a county attorney,
20 a county attorney's designee, or the private collection
21 designee shall remain so assigned.

22 Sec. 2. Section 321.210B, subsection 5, Code 2016, is
23 amended to read as follows:

24 5. Upon receipt of the report from the clerk of the
25 district court and payment of the reinstatement fee as
26 provided in section 321.191, the department shall terminate
27 the suspension if the suspension has not yet become effective.
28 If the suspension has become effective, the department shall
29 immediately reinstate the driver's license of the person unless
30 the driver's license of the person is otherwise suspended,
31 revoked, denied, or barred under another provision of law.

32 Sec. 3. Section 321.210B, subsection 8, Code 2016, is
33 amended to read as follows:

34 8. a. ~~Upon~~ Except as provided in paragraph "b", upon
35 determination by the county attorney, the county attorney's

1 designee, or the private collection designee that the person
2 is in default, the county attorney, the county attorney's
3 designee, or the private collection designee shall notify the
4 clerk of the district court.

5 b. (1) If the person is in default and the person
6 provides a new financial statement within fifteen days of
7 the determination made pursuant to paragraph "a" indicating
8 that the person's financial condition has changed to such an
9 extent that lower installment payments would have been required
10 prior to the execution of the initial installment agreement
11 under subsection 1, the county attorney, the county attorney's
12 designee, or the private collection designee shall not notify
13 the clerk of the district court, and the person shall not be
14 considered in default. The new installment payments shall be
15 based upon the new financial statement filed in compliance with
16 this subparagraph.

17 (2) A person making new installment payments after
18 complying with the provisions of subparagraph (1) shall not be
19 considered executing a new installment agreement for purposes
20 of calculating the number of installment agreements a person
21 may execute in a person's lifetime under subsection 13.

22 Sec. 4. Section 321.210B, subsection 12, Code 2016, is
23 amended by striking the subsection.

24 Sec. 5. Section 602.8107, subsection 3, paragraphs a and c,
25 Code 2016, are amended to read as follows:

26 a. Thirty days after court debt has been assessed and full
27 payment has not been received, or if an installment payment is
28 not received within thirty days after the date it is due, the
29 judicial branch shall assign a case to the private collection
30 designee under contract with the judicial branch pursuant to
31 subsection 5 to collect debts owed to the clerk of the district
32 court, unless the case has been assigned to the county attorney
33 under paragraph "c".

34 c. If Thirty days after court debt has been assessed and
35 full payment has not been received, or if an installment

1 payment is not received within thirty days after the date it
 2 is due, and if a county attorney has filed with the clerk
 3 of the district court a notice of full commitment to collect
 4 delinquent court debt pursuant to subsection 4, the court
 5 ~~debt in a case shall be assigned after sixty days to the~~
 6 county attorney as provided in subsection 4, if the court debt
 7 ~~in a case is not part of an installment agreement with the~~
 8 ~~private collection designee under contract with the judicial~~
 9 ~~branch pursuant to subsection 5. The judicial branch shall~~
 10 assign cases with delinquent court debt to a county attorney
 11 in the same format and with the same frequency as cases with
 12 delinquent court debt are assigned to the private collection
 13 designee under paragraph "a", and a county attorney shall not
 14 be required to file an individual notice of full commitment
 15 to collect delinquent court debt for each assigned case. If
 16 the county attorney or the county attorney's designee, while
 17 collecting delinquent court debt pursuant to subsection 4,
 18 determines that a person owes additional court debt for which a
 19 case has not been assigned by the judicial branch, the county
 20 attorney or the county attorney's designee shall notify the
 21 clerk of the district court of the appropriate case numbers
 22 and the judicial branch shall assign these cases to the
 23 county attorney for collection if the additional court debt is
 24 delinquent.

25 Sec. 6. Section 602.8107, subsection 4, Code 2016, is
 26 amended to read as follows:

27 4. *County attorney collection.* The county attorney or
 28 the county attorney's designee may collect court debt ~~sixty~~
 29 ~~days~~ after the court debt is deemed delinquent pursuant to
 30 subsection 2. In order to receive a percentage of the amounts
 31 collected pursuant to this subsection, the county attorney
 32 must first file ~~annually~~ with the clerk of the district court
 33 on or before July 1 of the first year the county attorney
 34 collects court debt under this subsection, a notice of full
 35 commitment to collect delinquent court debt, and a memorandum

1 of understanding with the state court administrator for all
 2 cases assigned to the county for collection by the court. The
 3 annual notice shall contain a list of procedures which will
 4 be initiated by the county attorney. For a county attorney
 5 filing a notice of full commitment for the first time, the
 6 cases involving delinquent court debt previously assigned to
 7 the private collection designee shall remain assigned to the
 8 private collection designee. Cases involving delinquent court
 9 debt assigned to the county attorney after the filing of a
 10 notice of full commitment by the county attorney shall remain
 11 assigned to the county attorney. A county attorney who chooses
 12 to discontinue collection of delinquent court debt shall file
 13 with the clerk of the district court on or before May 15 a
 14 notice of the intent to cease collection of delinquent court
 15 debt at the start of the next fiscal year. If a county attorney
 16 ceases collection efforts, or if the state court administrator
 17 deems that a county attorney collections program has become
 18 ineligible to collect as specified in paragraph "f", all cases
 19 involving delinquent court debt assigned to the county attorney
 20 shall be transferred on July 1 to the private collection
 21 designee for collection, except that debt associated with any
 22 existing installment agreement shall remain assigned to the
 23 county for collection unless an installment payment becomes
 24 delinquent, after which the delinquent debt associated with
 25 the installment agreement shall be transferred promptly to the
 26 private collection designee for collection.

27 a. This subsection does not apply to amounts collected for
 28 victim restitution, the victim compensation fund, the criminal
 29 penalty surcharge, sex offender civil penalty, drug abuse
 30 resistance education surcharge, the law enforcement initiative
 31 surcharge, county enforcement surcharge, amounts collected as
 32 a result of procedures initiated under subsection 5 or under
 33 section 8A.504, or fees charged pursuant to section 356.7.

34 b. Amounts collected by the county attorney or the county
 35 attorney's designee shall be distributed in accordance with

1 paragraphs "c" and "d".

2 c. (1) ~~Forty~~ Twenty-eight percent of the amounts collected
3 by the county attorney or the person procured or designated by
4 the county attorney shall be deposited in the general fund of
5 the county if the county attorney has filed the notice required
6 by this subsection, unless the county attorney has discontinued
7 collection efforts on a particular delinquent amount.

8 (2) The remaining ~~sixty~~ seventy-two percent shall be
9 paid to the clerk of the district court each fiscal year for
10 distribution under section 602.8108. However, if such amount,
11 when added to the amount deposited into the general fund of
12 the county pursuant to subparagraph (1), exceeds the following
13 applicable threshold amount, the excess shall be distributed
14 as provided in paragraph "d":

15 (a) For a county with a population greater than one hundred
16 fifty thousand, an amount up to ~~five hundred thousand~~ one
17 million dollars.

18 (b) For a county with a population greater than one hundred
19 thousand but not more than one hundred fifty thousand, an
20 amount up to ~~four~~ six hundred thousand dollars.

21 (c) For a county with a population greater than fifty
22 thousand but not more than one hundred thousand, an amount up
23 to ~~two hundred fifty~~ three hundred thousand dollars.

24 (d) For a county with a population greater than twenty-six
25 thousand but not more than fifty thousand, an amount up to one
26 hundred thousand dollars.

27 (e) For a county with a population greater than fifteen
28 thousand but not more than twenty-six thousand, an amount up to
29 fifty thousand dollars.

30 (f) For a county with a population equal to or less than
31 fifteen thousand, an amount up to twenty-five thousand dollars.

32 d. ~~Any additional moneys collected by an individual county~~
33 ~~after the distributions in paragraph "c" shall be distributed~~
34 ~~by the state court administrator as follows: forty percent of~~
35 ~~any additional moneys collected by the county attorney or the~~

~~1 person procured or designated by the county attorney shall be~~
~~2 deposited in the general fund of the county where the moneys~~
~~3 were collected; twenty percent of the remaining sixty percent~~
~~4 collected by the county attorney or the person procured or~~
~~5 designated by the county attorney~~ After the total collected by
~~6 a county attorney exceeds the threshold amount set in paragraph~~
~~7 "c", and for the remainder of the fiscal year, five percent~~
~~8 of the additional moneys collected~~ shall be deposited with
~~9 the office of the county attorney that collected the moneys;~~
~~10 twenty-eight percent of the additional moneys collected shall~~
~~11 be deposited in the general fund of the county where the moneys~~
~~12 were collected; and the remainder remaining sixty-seven percent~~
~~13 of the additional moneys~~ shall be paid to the clerk of the
~~14 district court for distribution under~~ [section 602.8108](#) or the
~~15 state court administrator may distribute the remainder under~~
~~16 section 602.8108 if the additional moneys have already been~~
~~17 received by the state court administrator.~~

~~18 e. (1) A county may enter into an agreement pursuant to~~
~~19 chapter 28E with one or more other counties for the purpose of~~
~~20 collecting delinquent court debt pursuant to~~ [this subsection](#).

~~21 (2) Notwithstanding paragraph "c", if a county subject~~
~~22 to the threshold amount in paragraph "c", subparagraph (2),~~
~~23 subparagraph division (e) or (f) enters into such an agreement~~
~~24 exclusively with a county or counties subject to the threshold~~
~~25 amount in paragraph "c", subparagraph (2), subparagraph~~
~~26 division (e) or (f), the threshold amount applicable to all~~
~~27 of the counties combined shall be a single threshold amount,~~
~~28 equal to the threshold amount attributable to the county with~~
~~29 the largest population~~ When a county enters into a chapter 28E
~~30 agreement with another county or counties to collect delinquent~~
~~31 court debt, the county or the county debt collection designee~~
~~32 must collect an amount of delinquent court debt that originated~~
~~33 in the county and that is equal to the applicable threshold~~
~~34 amount under paragraph "c" in order for the county to qualify~~
~~35 for distribution of moneys collected by county attorneys under~~

1 paragraph "d".

2 f. Beginning July 1, 2010 2017, and every fiscal year
 3 thereafter, amounts collected and distributed pursuant to
 4 this subsection shall be equal to or greater than twenty-five
 5 thousand dollars for each county or twenty-five thousand
 6 dollars in the aggregate for counties that have entered into an
 7 agreement pursuant to chapter 28E. If a county, or counties
 8 that have entered into a chapter 28E agreement, fails to meet
 9 the minimum threshold established in this paragraph, the
 10 county, or counties under the chapter 28E agreement, shall
 11 be within two years of beginning to collect delinquent court
 12 debt, a county attorney shall be required to collect one
 13 hundred percent of the applicable threshold amount specified
 14 in paragraph "c". If a county attorney collects more than
 15 eighty percent but less than one hundred percent of the
 16 applicable threshold amount, the state court administrator
 17 shall provide notice to the county attorney specifying that in
 18 order to remain eligible to participate in the county attorney
 19 collection program, the county attorney must collect at least
 20 one hundred twenty-five percent of the applicable threshold
 21 amount by the end of the next fiscal year. If a county attorney
 22 who has been given such a notice fails to collect one hundred
 23 twenty-five percent of the applicable threshold amount, the
 24 state court administrator shall provide notice to the county
 25 attorney that the county is ineligible to participate in the
 26 county attorney collection program for the following next two
 27 fiscal year years and all existing and future court cases
 28 with delinquent court debt shall be assigned to the private
 29 collection designee. In the event a county is ineligible to
 30 collect under this program, the county may apply to the state
 31 debt coordinator established in section 421C.1 to reenter
 32 the program following the fiscal year of ineligibility. The
 33 provisions of this paragraph apply to all counties, including
 34 those counties where delinquent court debt is collected
 35 pursuant to a chapter 28E agreement with one or more counties.

1 Sec. 7. STATE AUDITOR — REPORT. The state auditor shall
2 review the collection rate for each county that has filed a
3 notice of full commitment to collect delinquent court debt, and
4 file a report of the results of the review with the general
5 assembly by January 1, 2018. Additionally, the state auditor
6 shall distribute the report to the judicial branch and to each
7 county attorney who has filed a notice of full commitment to
8 collect delinquent court debt.

9 Sec. 8. TEMPORARY PROVISION FOR COUNTY COLLECTION
10 PROGRAMS. Notwithstanding the amendment to section 602.8107,
11 subsection 4, paragraph "f", in this Act, the provisions of
12 section 602.8107, subsection 4, paragraph "f", Code 2016, apply
13 to individual counties or counties entering into a chapter 28E
14 agreement until June 30, 2017.